PRIME MINISTER JOINT JORDANIAN/PALESTINIAN DELEGATION There has been a major set-back. The joint delegation saw Stephen Egerton this evening. The Palestinian members made clear they could not after all subscribe to the statement which had been agreed in Amman through John Coles and the Jordanian Prime Minister. They demanded a number of changes, of which the most important is the omission of any reference to Israel and its right to live in security. This is clearly completely unacceptable. The Foreign Secretary has said that he will not be able to go ahead with the meeting tomorrow in these new circumstances. The Jordanian Ministers concerned have been advised to contact King Hussein in Scotland and to give us their final position by 9.00 am tomorrow morning. We shall make clear to them that if the meeting has to be cancelled, we shall make a statement setting out the full story, that is that a statement had been agreed on which they reneged at the last moment. It would be clear that this would have serious consequences for the prospects for King Hussein's peace initiative. Unfortunately, none of this was clear at the time you spoke to King Hussein earlier this evening - and there was no sign

Unfortunately, none of this was clear at the time you spoke to King Hussein earlier this evening - and there was no sign that he was aware of it. One thing we shall need to consider in the morning is whether you should try to contact him. If the Jordanian Ministers in the joint delegation have been unable to convince the two Palestinian members, I doubt that the King will be able to do so over the telephone, but you may none-the-less feel it right to have a word with him.

There is also the question whether the Foreign Secretary should still see the two Jordanian members of the delegation alone.

I am inclined to think this would look rather weak in the circumstances and that it would be better to cancel the meeting altogether.

Charles Powell
13 October 1985